Secy. D. 27 4-4,000—4-11-49.

Food & Agriculture (1951) Department.

MS SERIES.

G.O. NO. 2235

Dated 19th November, 1951

Passed
Sd/-
Supt

[Despatch Abstract.]

Establishment - Civil Supplies - South Kanara Dt - Issue of foodgrains direct to major establishment - Revised procedure for recovery of difference between wholesale and retail price - Staff - Employment - Sanctioned

ADDITIONAL ASSISTANT SECRETARY TO GOVT. FOOD AND AGRICULTURE DEPT. 2 NOV 1951

ABSTRACT.

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75317

Civil Supplies - Foodgrains - Issue to major establishments - direct by millers, pools and wholesalers - Recovery of difference between wholesale and retail price - Revised procedure - Exemption to Malabar and South Kanara districts - Board's proposals - orders issued.

FOOD AND AGRICULTURE DEPARTMENT.

C.O. Ms. No. 2084, Dated the 24th Oct., 1951.

Read the following:--

1. From the Board of Revenue (Civil Supplies) Reference No. 2055/50 L VII-1 dated 2--8--1951.

2. From the Board of Revenue (Civil Supplies) Reference No. 123674/51 L VII-1 dated 13--8--1951.

O R D E R:

The Collector of Malabar has expressed certain special difficulties experienced in the Malabar district in giving effect to the revised procedure prescribed by the Government in their memorandum No. 50078 A/50-7 Food and Agriculture dated 12-4-1951 directing that the difference between the wholesale and retail prices should be collected from the establishments instead of from the wholesalers, the collections being made by the officers passing the indents, and has urged for the continuance of the existing procedure viz., collection of the differential cost from the wholesalers (Producers cum Consumers Co-operative Societies) in Malabar district. The Board of Revenue (Civil Supplies) has recommended that as the Malabar district has its own peculiar problems and as the Producers cum consumers Co-operative Societies are willing to collect the differential cost and remit it to the Government, the Collector may be allowed to continue the existing procedure of collecting the differential cost from the Producers cum Consumers Co-operative Societies. In the circumstances, reported by the Board, the Government accept its recommendation and direct that the revised procedure prescribed in the Government Memorandum cited be relaxed in the case of the Malabar district and that the Collector of Malabar be permitted as a special case to follow the existing procedure of collecting the differential cost from the Producers cum Consumers Co-operative Societies in Malabar district.

2. The Collector of South Kanara has also expressed certain difficulties in giving effect to the revised procedure in regard to the collection of the differential cost and has asked for the sanction of one post of lower division clerk in the office of the Rationing Officer, Mangalore to implement the revised procedure. The Board considers that though the conditions in South Kanara cannot be said to be identical with those of Malabar, still, like the Producers cum Consumers Cooperative Societies in Malabar, the South Kanara Wholesale Cooperative Stores also have the monopoly of the distribution of rationed foodgrains, and that the legal difficulty expressed by the Government in the matter of recovery of the differential cost from the wholesalers can be overcome in the case of the districts where cooperative societies are allowed the monopoly of distribution of foodgrains by the invocation of section 58 of the Cooperative Societies Act 1932.

P.T.O.

The Board has therefore suggested that in South Kanara and other districts, where the Cooperative ~~xxxxx~~ societies are allowed the monopoly of distribution of foodgrains, the Societies concerned may be allowed to collect the differential cost from the establishments and remit it to the Government, if the Collector of the District asks for such a relaxation of the general rule. The Board considers that this will also do away with the ~~xxxx~~ need for entertaining extra staff to attend to the collection, proposals for which, have been submitted by the Collector of South Kanara and are likely to be received from other Collectors as well. The Government consider that Section 58 of the Madras Cooperative Societies Act can be invoked only if the amount in question can be deemed to be one due to the Government. It was only because there was difficulty in saying that the difference between wholesale and retail rate collected from wholesalers in the case of sales to establishments, was legally due to the Government that the Government prescribed a revised procedure in Memorandum 50078/A/50-7, dated 12--4--1951. If the Board's recommendation for relaxation of the rule in respect of the South Kanara district is to be accepted, so as to avoid appointment of additional staff, Collectors of other districts will also come up for similar relaxation with the result that the Government will be put to the necessity of scraping the revised procedure entirely, which was prescribed by them~~xx~~ only with a view to avoid the legal difficulty in the collection of the difference. As the Board itself has expressed the view that the conditions in the South Kanara district cannot be said to be identical with those of Malabar, the Government have decided that there is no need to relax the revised procedure prescribed in the matter of collection of the differential cost in respect of the South Kanara district as recommended by the Board and that the better thing would be to sanction one post of lower Division clerk for the Office of the Rationing Officer, Mangalore to implement the revised procedure as requested by the Collector. The Collector should be asked to implement the revised procedure in his district at once. Orders regarding the sanction of one post of Lower Division clerk are being issued separately.

R.M. Sundaram,
Secretary to Government.

To

The Board of Revenue (Civil Supplies)
Copy to "E" Section (with encl).

Forwarded/By Order

Eoke/-27.10.

Superintendent.

Copy of the letter No. Ref. P2. 14910-51 dated 17-7-19 1 from the Collector of South Kanara, Mangalore to the Secretar to the Commissioner of Civil Supplies, Board of Revenue, Chepauk, Madras.

Foodgrains - Procurement and distribution - Issue to major establishments direct by wholesalers - South Kanara District - Difference between retail and wholesale prices - Revised procedure - Implementation of - Report.

Ref: Board's Ref. No. 2055/50-LVII-1 dated 17-5-1951.

Under the procedure existing hitherto, the function of actually recovering the differential cost from the major establishments was assigned to the wholesaler. The Rationing Officers were merely to maintain a register in the form prescribed in B.P. Rt. No. 586/50 dated 20-4-1950 and watch the recovery of the differential cost. In the existing organisation of Rationing staff in the Mangalore rationed area, even the maintenance of this register in its elaborate form was found impracticable and the Board was requested in this office Ref. C. No. 25597-50-P2 dated 26-10-50 to relax the rules in respect of the Mangalore rationed area. In its L.Dis. No. 155826/50 L-VII-1 dated 12-2-1951, the Board was pleased to exempt the rationing Officer, Mangalore from the operation of the orders in B.P. Rt. No. 586/50 dated 20-4-1950.

2. Under the revised procedure prescribed by the Board in its reference cited above, the following additional functions - devolve upon the Rationing Officers;-

(i) Calculation of differential cost due on the stock passed on the indent.

(ii) issue of receipts.

(iii) Maintenance of cash book in M.T.C. form No. 5.

(iv) Maintanance of a register of recovery of differential cost from major establishments.

(v) Preparation of monthly statement in paragraph 7.

The Rationing Officer, Mangalore has estimated that on an average 4836 transactions take place each month under major establishments. (Please see Rationing Officer's Ref. C2. 2320/50 dated 29-9-1950 submitted with my Ref. C. No. 25597-50-P2 dated 24-10-1950). On this basis there will be about 160 transactions a day on an average. The Rationing Officers are not supplied with any commutation tables to facilitate calculation and it is no easy task to work out so large a number of items of differential costs by sheer arithmetical calculation. The issue of receipts and the maintenance of the prescribed accounts add still to the volume and overosity of the work.

3. The Rationing Officer has represented that it is impracticable to enforce the revised procedure with the existing staff. He has requested the continuance of the old procedure of the wholesaler collecting the differential cost and the detailed scrutiny of the accounts by the Rationing Officer at the close of the month. Alternatively he has requested for the sanction of two additional posts of Lower Division Clerks to attend to this work exclusively. Pending orders of the Board on the issue, I have postponed giving effect to the revised procedure in the Mangalore Rationed

The Collector of South Kanara has also expressed certain difficulties in giving effect to the revised procedure in regard to the collection of the differential cost and has asked for the sanction of one post of lower division clerk in the office of the Rationing Officer, Bangalore to implement the revised procedure. The Board suggests that in South Kanara and other districts where the Co-operative Societies are allowed the monopoly of the distribution of foodgrains, the Societies concerned may be allowed to collect the differential cost from the establishments and remit it to the Government, if the Collector of the district asks for such a relaxation of the general rule.

If the Board's recommendation for relaxation of the rules in respect of the South Kanara district is to be accepted, so as to avoid appointment of additional staff, Collectors of other districts will also come up for similar relaxation with the result that the Government will be put to the necessity of scraping the revised procedure entirely, which was prescribed by the Government only with a view to legalising the collection of the difference. The Board itself has expressed the view that the conditions in South Kanara district cannot be said to be identical with those of Malabar. In these circumstances, it is proposed not to relax the revised procedure prescribed in the matter of collection of the differential cost in respect of South Kanara district as recommended by the Board but to sanction the post of 1 Lower Division Clerk for the office of the Rationing Officer, Bangalore, as requested by the Collector to implement the revised procedure in the district. Finance have also accepted the proposal.

The case may be circulated to Honourable Minister (Food) and Honourable Minister (Finance) for approval of the proposals at 'A' on p 10 above and 'B' above. For orders.

(True Extract)

Extract of notes and orders.

To A.S.

With reference to the orders obtained in circulation, a draft order is submitted below for approval.

As regards orders sanctioning the employment of a lower division clerk in the Office of the Rationing Officer, Bangalore, relevant extracts may be given to F section for

Food and Ag
(CN. 75317

Lease Issue
19-11-51

Establishment - Civil Supplies. South
Issue of foodgrains direct to major establishment -
Revised procedure for recovery of difference
between wholesale and retail price - & Staff
Employment - Sanctioned

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1-3 2W
1-3 OF

Read again:
G.O Ms No 2084, Food and Agri, dated 24.10.51

Read also:

b/s 5-6 CF

From the Collector of South Kanara. Lr No. P2.
14910.51 dated 17.7.51.

G.O Ms No 2235 Dated 19-11-1951

H.E the Governor of Madras sanctions the employment from the date of appointment till 31.3.52 or till the necessity for employment ceases whichever is earlier of one Lower Division clerk on Rs 45-90/- for work connected with the implementation of the revised procedure for collecting the difference between the wholesale and retail prices of foodgrains issued to major establishments (in South Kanara dt.) in the Office of the Rationing Officer, Mangalore.

2. The expenditure should be debited to 63. Extraordinary charges - a. charges in India - B. Establishment for Price control - I. Bd. of Revs (s) 2. Pay of Establishment".

Dd 18/11/51 Rs 7.11.51 SR 8/11/51 13.11.51

To
The Bd. of Rev (s)
" (Accts Branch)
" AG (Aud) Fin
" Collr. of S. Kanara Dt
" A Section

Spare Copies. 3.

Note: The Copy of G.O Ms No 2084, Food and Agri.

dated 24.10.51 with the enclosed copy of reference from the Collector of S. Kanara (and the extracts of note file of A Section) at pp 1-6 above may be perused. With ref to Orders at A on p 3 above, a draft Order is submitted for approval. Finance may see for acceptance.

Rvs
7.11.51

8/11/51

13.11.51

Food & Agri
U.O. 75517 E/51
13-11-51

Fin (E2)

The draft order overleaf may be accepted.

14.11.51

ADDITIONAL DEPUTY SECRETARY
83958
14 NOV 1951
FINANCE DEPARTMENT

Fin. no. E 83958
15.11.51

15.11.51

for A

May issue.

16.11.51

79/51

Secy

ADDITIONAL ASSISTANT SECRETARY
16 NOV 1951
78952
FOOD AND AGRICULTURE DEPT.

Issued as G.O.Ms. No. 2235 FA dy 19-11-1951
F7 C.f.